

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☒

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER GORDON CREEK STATE NE 27-13-8					
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT WILDCAT					
4. TYPE OF WELL Gas Well Coalbed Methane Well: YES						5. UNIT or COMMUNITIZATION AGREEMENT NAME					
6. NAME OF OPERATOR GORDON CREEK, LLC						7. OPERATOR PHONE 403 453-1608					
8. ADDRESS OF OPERATOR 1179 E Main #345, Price, UT, 84501						9. OPERATOR E-MAIL rironside@thunderbirdenergy.com					
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML-51892			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>					
13. NAME OF SURFACE OWNER (if box 12 = 'fee')						14. SURFACE OWNER PHONE (if box 12 = 'fee')					
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')					
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>					
20. LOCATION OF WELL		FOOTAGES		QTR-QTR	SECTION	TOWNSHIP		RANGE		MERIDIAN	
LOCATION AT SURFACE		1799 FNL 811 FEL		SENE	27	13.0 S		8.0 E		S	
Top of Uppermost Producing Zone		1799 FNL 811 FEL		SENE	27	13.0 S		8.0 E		S	
At Total Depth		1799 FNL 811 FEL		SENE	27	13.0 S		8.0 E		S	
21. COUNTY CARBON			22. DISTANCE TO NEAREST LEASE LINE (Feet) 811			23. NUMBER OF ACRES IN DRILLING UNIT 40					
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completion) 13200			26. PROPOSED DEPTH MD: 4240 TVD: 4240					
27. ELEVATION - GROUND LEVEL 7106			28. BOND NUMBER RLB0010790			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 91-5205					
Hole, Casing, and Cement Information											
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight	
SURF	11	8.625	14 - 187	24.0	J-55 Casing/Tubing	8.7	Class G	882	1.142	15.84	
PROD	7.875	5.5	0 - 4240	17.0	N-80 LT&C	8.7	Class C	203	4.12	10.5	
							Class C	109	2.39	11.5	
ATTACHMENTS											
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES											
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER						<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN					
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)						<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER					
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)						<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP					
NAME Barry Brumwell			TITLE Vice President-Operations			PHONE 403 453-1608					
SIGNATURE			DATE 12/05/2012			EMAIL bbrumwell@thunderbirdenergy.com					
API NUMBER ASSIGNED 43007503580000						APPROVAL					

Received: September 16, 2013

DRILLING PLAN and PROGRAM

Attached to UDOGM Form 3

GORDON CREEK, LLC.

GORDON CREEK ST NE-27-13-8

SURFACE LOCATION: 1,799' FNL & 811' FEL

SE/4 of NE/4 of Section 27-14S-8E

Carbon County, Utah

1. SURFACE GEOLOGIC FORMATION

Emery Sandstone Member of the Mancos Shale

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

Blue Gate Shale Member top: 1,864' KB

Lower Blue Gate Bentonite Marker: 3,633' KB

Ferron SS: 3,768' KB

Tununk Shale: 4,180' KB

3. PROJECTED GAS & H₂O ZONES

It is anticipated that ground water may be encountered within the Emery Sandstone Member of the Mancos Shale. Any water encountered will be reported on a Form 7 "Report of Water Encountered During Drilling". All indications of usable water will be reported.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones and prospectively valuable mineral deposits.

Surface casing will be tested to 500 psi and the Production casing will be tested to 1,500 psi, with a minimum of 1 psi/ft of the last casing string setting depth.

4. PROPOSED CASING AND CEMENTING PROGRAMS

Refer to EXHIBIT "A" for casing design information

A. CASING PROGRAM

HOLE SIZE (in)	CASING SIZE (in)	WEIGHT (#/ft)	GRADE	JOINT	DEPTH SET (ft)
14 ³ / ₄	12 ³ / ₄	40.5	H-40	ST&C	0 - 40
11	8 ⁵ / ₈	24.00	J-55	ST&C	0 - 1,870
7 ⁷ / ₈	5 ¹ / ₂	17.00	N-80	LT&C	0 - 4,240

B. CEMENTING PROGRAM

The 8 ⁵/₈" surface casing will be set and cemented full length with approximately 882 sacks of 0-1-0 Class "G" cement + 2% CaCl₂ + 0.25 #/sk of cellophane flakes mixed at 15.84 ppg (yield = 1.142 ft³/sk); volume based on nominal hole size + 100% excess. The cement will be circulated back to surface. In the event that the cement is not circulated back to surface, a 1" top out job will be performed with 0-1-0 Class "G" cement + 2% CaCl₂ + 0.25 #/sk of cellophane flakes mixed at 15.84 ppg (yield = 1.142 ft³/sk).

The 5 ¹/₂" production casing will be set and cemented full length using a MINIMUM of 203 sx of LEAD CEMENT incorporating 2% Gypsum-60 + 0.25 #/sk of Superflake + 2% Super Sil SP mixed at 10.5 ppg (yield = 4.12 ft³/sk); cement volume based on nominal hole size + 100% excess, followed by a MINIMUM of 109 sx of HIGH EARLY COMPRESSIVE STRENGTH TAIL CEMENT incorporating 2% Gypsum-60 + 0.25 #/sk of Superflake + 2% Super Sil SP mixed at 11.5 ppg (yield = 2.39 ft³/sk); cement volume based on nominal hole size + 50% excess over the bottom 1000' of hole.

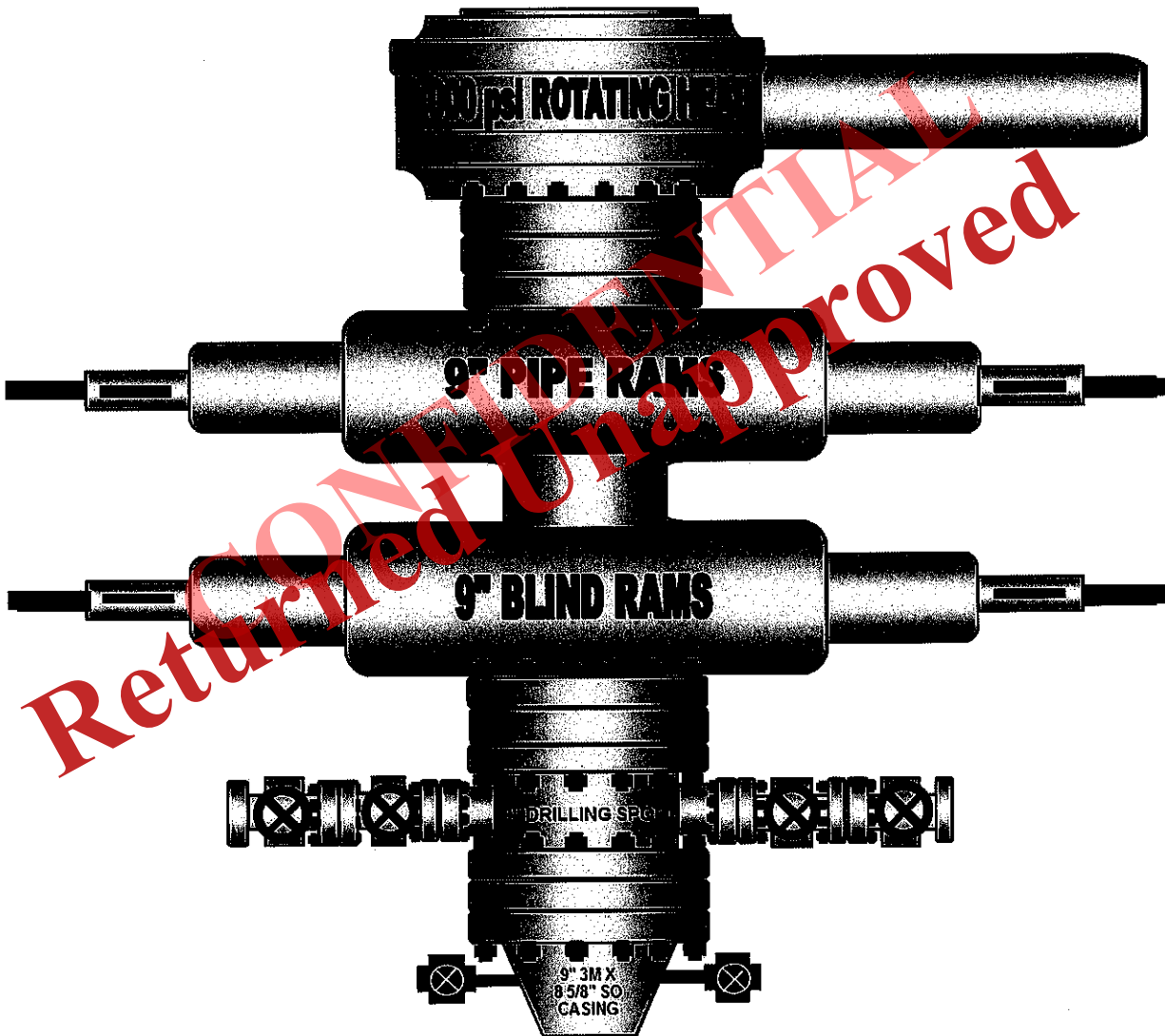
It is our intention for the cement mixture to be circulated back to surface, IF POSSIBLE.

THE FOLLOWING SHALL BE ENTERED INTO THE DRILLER'S LOG:

- I. Blowout preventer pressure tests, including test pressures and results;
- II. Blowout preventer tests for proper functioning;
- III. Blowout prevention drills conducted;
- IV. Casing run, including size, grade, weight, and depth set;
- V. How the pipe was cemented, including amount of cement, type, whether cement was circulated back to surface, location of the cementing tools, etc.;
- VI. Waiting on cement time for each casing string;
- VII. Casing pressure tests after cementing, including test pressures and results.

5. THE OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

Below is a schematic diagram of the blowout preventer equipment requirements for this drilling operation. A 9' X 3,000 psi double gate BOP will be used with a 2,000 psi Rotating Head utilized for air drilling operations. ALL BOPE will be pressure tested to the required operating pressures of each component. All tests will be recorded in the Driller's Report Book. The physical operation of each component of the BOP's will be checked on each trip.



6. THE TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATING FLUIDS / MUDS

0' – 1,870'	11" Surface Hole	Drill with air, will mud-up if necessary.
1'870' – TMD	7 7/8" Main Hole	Drill with air, 500 psi @ 1500-2300 ft ³ /min

Will "mud up" at Total Depth to run logs and casing. Will mud up sooner if hole conditions dictate. It is anticipated that drilling fluid densities of 8.3 – 8.7 #/gal will be utilized when "mudded up".

7. THE TESTING, LOGGING AND CORING PROGRAMS

Open hole logs consisting of a CNL-LDT-GR-CAL will be run from above the Blue Gate Shale to TMD. A DIL-GR-SP log will be run from TMD to surface casing.

8. ANY ANTICIPATED ABNORMAL PRESSURES or TEMPERATURES

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is approximately 900 psi maximum. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

9. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

The well will be drilled as soon as logistically possible after the APD Approval has been issued. Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- a) prior to beginning construction;
- b) prior to spudding;
- c) prior to running any casing or BOP tests;
- d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall IMMEDIATELY be reported to the Division of Oil, Gas & Mining.

EXHIBIT "A"

CASING DESIGN GORDON CREEK ST NE-27-13-8 PROJECTED TD: 4,240' KB

SURFACE CASING (0' – 1,870')

Diameter	8 ⁵ / ₈ "
Interval	1,870' to Surface
Weight	24 #/ft
Grade	J-55
Coupling	ST&C

Burst Design

The recommended practice is to base the burst rating of the casing string in psi to be at least numerically equal to 0.225 psi/ft times the setting depth in feet of the next casing string. The rating chosen was also intended to match the BOPE pressure rating and exceed the highest possible surface pressure of approximately 936 psig.

Burst required =	$0.225 \times 4,240$	954 psig
Burst rating of casing string:	2,950 psi	
Safety factor =	$2,950 \text{ psi} / 954 \text{ psi} =$	3.09

Collapse Design

Collapse pressure is negligible on this surface string.

Tension Design

String weight in air = 24 #/ft X 1,870' =	44,880 #
Tensile strength of joint	244,000 lbf
Safety factor of joint	5.4

PRODUCTION CASING (0' – 4,240')

Diameter	5 ½"
Interval	4,240' to surface
Weight	17 #/ft
Grade	N-80
Coupling	LT&C

Burst Design

An internal pressure gradient of 0.4863 psi/ft has been used as a basis for these calculations. This gradient is equivalent to the force exerted by 10 ppg drilling fluid, which is a much higher density of fluid than we anticipate being required to drill this well.

Burst rating of casing string:	7,740 psi	
Burst rating required:	4,240' X 0.4863 =	2,062 psig
Safety factor =	7,740 psi / 2,062 psi =	<u>3.75</u>

Tension Design

1.6 Safety factor of top joint, neglecting buoyancy and without over pull.

Tensile rating of casing joint:	348,000 lbf	
String Weight:	4,240' X 17 #/ft =	72,080 lbf
Safety factor =	348,000 lbf / 72,080 lbf =	<u>4.83</u>

Collapse Design

Maximum anticipated mud weight is 10.0 ppg based on a mud gradient of 0.53 psi/ft.

Collapse rating of csg string:	6,280 psi	
Collapse rating required:	4,240 X 0.53 psi/ft =	2,247 psi
Safety factor =	6,280 psi / 2,073 psi =	<u>2.79</u>

Production Casing Design

Interval (ft)	Weight (#/ft)	Grade	S.F. Burst	S.F. Collapse	S.F. Tension
4,240' – 0'	17	N-80	3.75	4.83	2.79

MULTI-POINT SURFACE USE PLAN

Attached to UDOGM Form 3

GORDON CREEK, LLC.

GORDON CREEK ST NE-27-13-8

SURFACE LOCATION: 1,799' FNL & 811' FEL

SE/4 of NE/4 of Section 27-14S-8E

Carbon County, Utah

1. EXISTING ROADS

- a. We do not plan to change, alter or improve upon ANY existing State or County roads.
- b. Existing roads will be maintained in the same or better condition.

2. PLANNED ACCESS

- a. Access will be off of Consumers Road in Section 27-13S-8E and travel East through Section 27 across DWR, FEE & SITLA SURFACE on a newly constructed roadway. ALL Surface Use Agreements are in place and paid up for the planned roadway. The roadway will follow existing 2-track trails wherever possible, and is planned with minimal impact to the terrain.
- b. If the well is productive, the road will be maintained as necessary to prevent soil erosion and maintain year-round traffic. However, we may allow the access road to be gated and closed off during winter production operations and access the site with a snowmobile or other winter ATV.
- c. Maximum Width: 20' travel surface with 27' base.
- d. Maximum grade: 25%
- e. Road culverts may be required. Surface water will be diverted around the well pad as necessary.
- f. Any power lines and / or pipelines to/from the well will follow the proposed access route.

3. LOCATION OF EXISTING WELLS

- a. As shown on the Civil Location Survey Plat for the well.

4. LOCATION OF EXISTING and/or PROPOSED FACILITIES

- a. If the well is a producer, installation of required production facilities will follow the drilling and completion phase of well operations. Buried flow lines, water lines and electrical cable will follow the proposed access road and other existing access ROWs to the intersection with Thunderbird's main 12' pipeline corridor.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. LOCATION AND TYPE OF WATER SUPPLY

- a. All water to be used for drilling operations will be obtained from area water wells drilled and owned by Gordon Creek, LLC.
- b. Water will be transported to location by truck over approved access roads.

6. SOURCE OF CONSTRUCTION MATERIALS

- a. Any necessary construction materials needed will be obtained locally from a private source and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal / Indian lands.

7. METHODS FOR HANDLING WASTE DISPOSAL

- a. As shown on the Survey Plat, a 100' X 60' X 8' deep "mud pit" with liner will be constructed on the well pad to hold the drilled solids and drilling fluids required during the drilling operations phase of the well. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. As the majority of this well is expected to be air drilled, a small reserve "blooie" pit that drains into the main mud pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM Representative during pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from any pit and the pit backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or onto or off of the well pad.
- c. In the event that wellbore fluids are produced, any oil will be retained in tanks until sold and any water produced will be retained in the mud pit until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. ANCILLARY FACILITIES

- a. We anticipate no need for ancillary facilities with the exception of a personnel accommodation trailers with closed loop septic systems to be located on the drill site.

9. WELLSITE LAYOUT

- a. Gordon Creek, LLC. has reduced to surface lease size (area stripped and levelled) for this location to the smallest lease size possible to accommodate the required drilling rig and support equipment.
- b. Any available topsoil will be removed from the location and stockpiled. The location of the rig, mud tanks, reserve and berm pits and all other drilling support equipment will be located as per common oilfield rig layouts.
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the blooie pit. The blooie pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on the Civil Location Survey Plat for the well.
- d. Natural runoff will be diverted around the well pad.

10. PLANS FOR RESTORATION OF SURFACE

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to minimize possible erosion.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.
- d. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled in immediately upon release of the drilling rig from the location. If the well site is to be abandoned, all disturbed areas will be re-contoured to the natural terrain found prior to location construction.

11. SURFACE OWNERSHIP

- a. The well site and access road in NE-27-13-8E are on and across lands owned through the State of Utah School and Institutional Trust Lands Administration and covered by Surface Use Agreement # ML-51892. The access roadway through the rest of Section 27 is across DWR and 3 small Fee tracts and is also covered by existing Surface Use Agreements. The operator shall contact the landowner and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities.

12. OTHER INFORMATION

- a. The primary surface use is wildlife habitat and/or cattle grazing. The nearest dwelling is approximately 16.3 miles east (Price, Utah).
- b. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.

- c. The back-slope and fore-slope will be constructed no steeper than 4:1.
- d. All equipment and vehicles will be confined to the access road and well pad.
- e. A complete copy of the approved Application for Permit to Drill (APD,) including all conditions and stipulations shall be on the well-site during construction and drilling operations.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. COMPANY REPRESENTATIVE

Barry Brumwell, C.E.T.
Vice President, Operations
Gordon Creek LLC., a wholly owned subsidiary of
Thunderbird Energy Corp.
#800, 555 – 4th Avenue S.W.
Calgary, Alberta, Canada T2P-3E7
(403) 453-1608 (office)
(403) 818-0696 (mobile)
bbrumwell@thunderbirdenergy.com

14. CERTIFICATION

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by Gordon Creek, LLC. and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

12/03/2012

DATE



Barry Brumwell, C.E.T.
Vice President, Operations
Gordon Creek LLC. / Thunderbird Energy Inc.



GORDON CREEK STATE NE-27-13S-8E

SE/4 OF NE/4, 1,799' FNL + 8111 FEL

SURFACE LEASE #: ML-51892

MINERAL LEASE #: ML-51892

AFE: 12DRL005

WORKING INTEREST: 100%

RIG:

DRILL DAYS BELOW SURFACE CASING SHOE: 6

7 7/8" MAIN HOLE TO BE DRILLED WITH AIR

Survey Grd. Elev: 7,105.8'
Est. KB Elev: 7117.8'
KB - GRD used: 12.0' KB8.625"
Casing
Set @ 1,350'

TOPS ft TVD

Emery Fm. @ SFC.

BASE OF GROUNDWATER TBD

Blue Gate Shale Mbr ** 1,864'

SURFACE CASING 1,870'

BOP'S
9" 3000 #
CASING
BOWL11"
Surface
Hole7.875"
Main
Hole5.500"
CASING
SET AT
4,240'MUD UP WITH 3% KCl POLYMER
DRILLING FLUID ONLY IF WATER INFLUX
OCCURS OR TIGHT HOLE CONDITIONS
OCCURBegin taking samples on
Geologists orders* PRIMARY ZONE OF INT.
** SECONDARY ZONELower Bluegate
Bentonite Marker 3,633'FERRON SS * 3,768'
(800 psi bhp)

Ferron Basal Marine SS 4,038'

Tununk Shale 4,180'

TD 4,240'

SWEET WELL (NO H₂S)

CASING DESIGN

	Interval (ft)	O.D. (inches)	#/ft	Grade	Thread	Burst/Collapse (psi)	Joint Yield (lbf)	Opt. Torque (ft lbs)
Surface:	0 - 1,870	8 5/8	24	J-55	ST&C	2,950 / 1,370	244,000	2,440
Main:	0 - 4,240	5 1/2	17	N-80	LT&C	7,740 / 6,280	348,000	3,480

ENSURE THAT MARKER JOINTS ARE PLACED IN THE CASING STRING OPPOSITE ANY PAY ZONE

TARGET: FERRON SANDSTONE/COAL; CASING TO BE CUT 16" ABOVE CASING BOWL

CEMENTING PROGRAM - Primary - Single Stage

	Bit Size (inches)	Cement	Additives	Yield (ft ³ /sk)	Volume (sx)	% Excess	Cmt Top (ft)	Density (#/gal)
Surface:	11	0-1-0 "G"	2% CaCl ₂ + Cellophane flakes	1.142	882.0	100	SFC	15.84
Main:	7 7/8	LEAD	2% Gypsum-80 + 0.25 #/sk SuperFlete + 2% Super 51-SP	4.12	203.0	100	SFC	10.50
		TAIL	High Early Compressive + 2% Gypsum-80 + 0.25 #/sk SuperFlete + 2% Super 51-SP	2.39	109.0	50	3,240	11.50

DRILLING FLUIDS

Interval	Type	NOTES
Surface: 0 - 1,870'	AIR	Drill with air, switch over to 3% KCl Polymer water if water influx overcomes air hammer.
	3% KCl Polymer	Run gel sweeps if sloughing occurs; run Cedar Fibre LCM if losses occur. Condition mud thoroughly prior to POOH to run/cement casing.
Main: 1,870' - 4,240'	AIR	Drill with air, switch over to 3% KCl Polymer water if water influx overcomes air hammer. Attempt to drill to TD with Air, unless ROP in the Ferron is poor - then POOH and switch to PDC and 3% KCl drilling fluid.
	3% KCl Polymer	MUD UP with 3% KCl polymer drilling fluid ONLY if water influx overcomes air hammer OR if TIGHT HOLE conditions become prevalent.

11" SURFACE HOLE:

- Spud with an approved water well/surface casing rig and air drill to surface TD of +/- 1,870'. Set surface casing at least 50' below any water influx zone. Survey every 100'. **Ensure that the surface hole deviation does not exceed 3°.**
- NOTE: If water influx overcomes air hammer or becomes problematic, MUD UP with a 3% KCl Polymer drilling fluid. Refer to the Mud Program and the Cementing Program for further information.
- NOTE: Ensure the well is cemented to surface on both casing strings. Contact the Operations Supervisor if any casing string cement job does not obtain returns to surface.
- Move the Surface Hole drilling rig off of location once surface casing is set and cemented.

7 7/8" MAIN HOLE:

- Move on conventional drilling rig and drill out with air hammer assembly and AIR DRILL as far as possible with air. Survey every 300'. Ensure that deviation does not exceed 3°. Notify Calgary operations immediately if a 3° deviation is exceeded.
- TIGHT HOLE is possible on connections. REAM HOLE at first indication of tight hole and attempt to continue to air drill.
- COAL/SHALE SEAMS can occur in the wellbore which may be faulted and unconsolidated resulting in sloughing hole conditions.
- H₂S WILL NOT be encountered.
- MUD UP with a 3% KCl Polymer drilling fluid ONLY if water influx overrides the air hammer OR if tight hole conditions become prevalent.
- OVER PRESSURE: Generally, all zones in the wellbore should be underpressured (below normal water gradient) or have normal pressure gradients.
- LOST CIRCULATION should only have the potential to occur when drilling with fluids.
- ENSURE AND ADEQUATE AMOUNT OF LCM IS ON LOCATION AT ALL TIMES.
- FERRON SS/COAL PENETRATION - ATTEMPT TO AIR DRILL THROUGH THE FERRON ZONE. WATER may be encountered upon penetration. Ensure good hole conditions are prevalent to penetrating the FERRON.
- MUD UP - switch to a 3% Polymer drilling fluid system at Total Depth OR if water/tight hole problems occur.
- Mud Check - prior to POOH for logging, condition the mud and check mud properties with mudman. DO NOT POOH until the wellbore is circulating free of cuttings and the mud properties are optimal for logging.

SAMPLE REQUIREMENTS/ EVALUATION

T-BIRD	Begin taking 2 sets of samples every 10 feet at 3,000' to TD
GOVT:	As per regulations
Detection:	Gas detection/ PASON Mud Log as per Geologist's request.
Cores:	No coring
DST:	No DST's

LOGGING PROGRAM - DISCUSS SCALES REQUIRED WITH VP OF GEOSCIENCES

	# of copies
DIL-GR-SP T.D. to surface casing	4
CNL-LDT-GR-CAL T.D. to surface casing	4

Run a multi-arm caliper log to ensure correct calculation for cement volumes on casing or plugs.

Received: December 05, 2012

T13S, R8E, S.L.B.&M.

THUNDERBIRD ENERGY

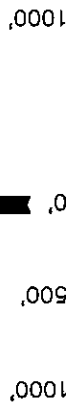
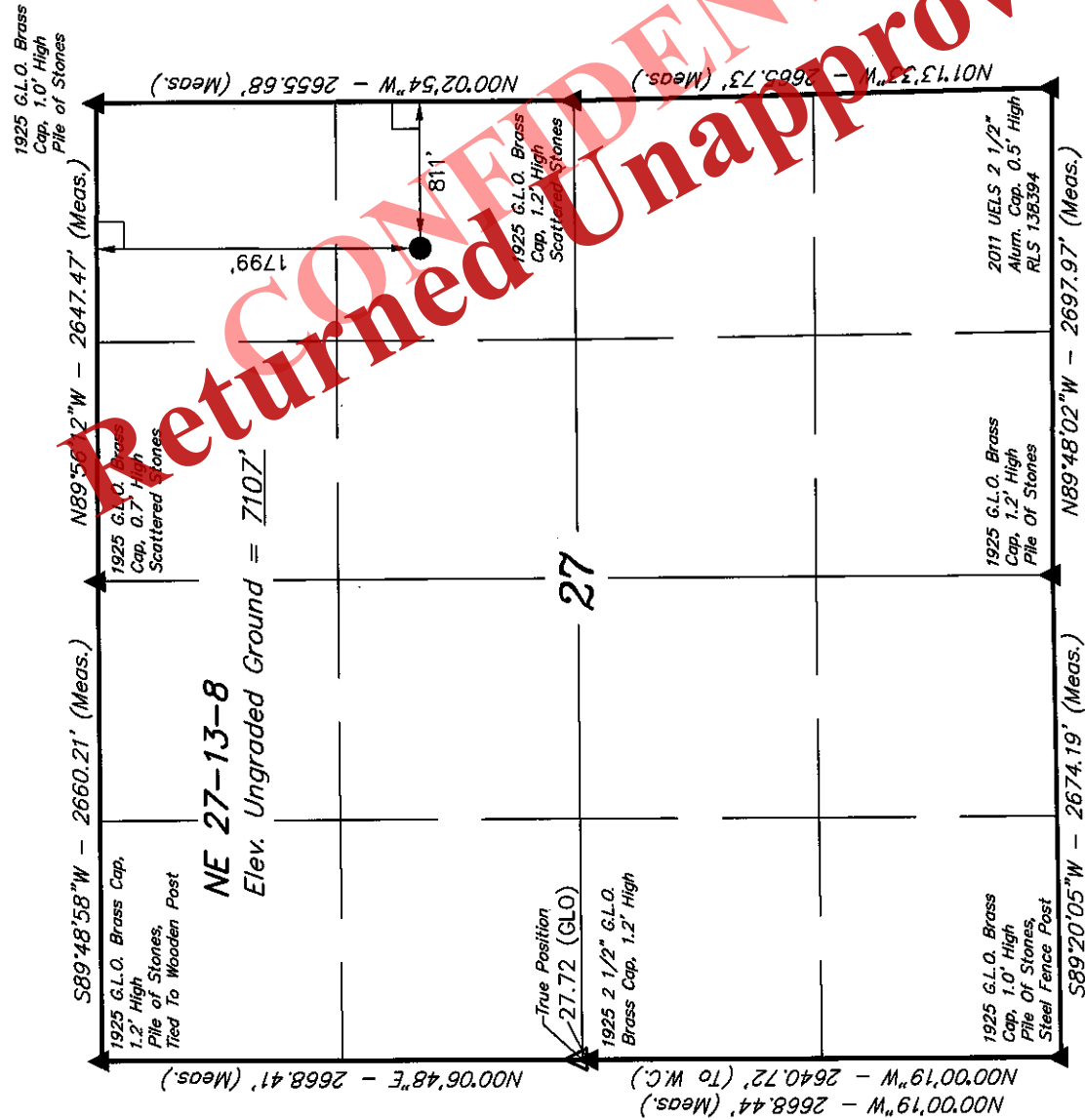
Well location, NE 27-13-8, located as shown in the SE 1/4 NE 1/4 of Section 27, T13, R8E, S.L.B.&M., Carbon County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE NORTHWEST CORNER OF SECTION 34, T13S, R8E, S.L.B.&M., TAKEN FROM THE JUMP CREEK, QUADRANGLE, UTAH, CARBON COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7236 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE BEARINGS WERE PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

ROBERT L. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH EXPIRATION DATE 03-12-12

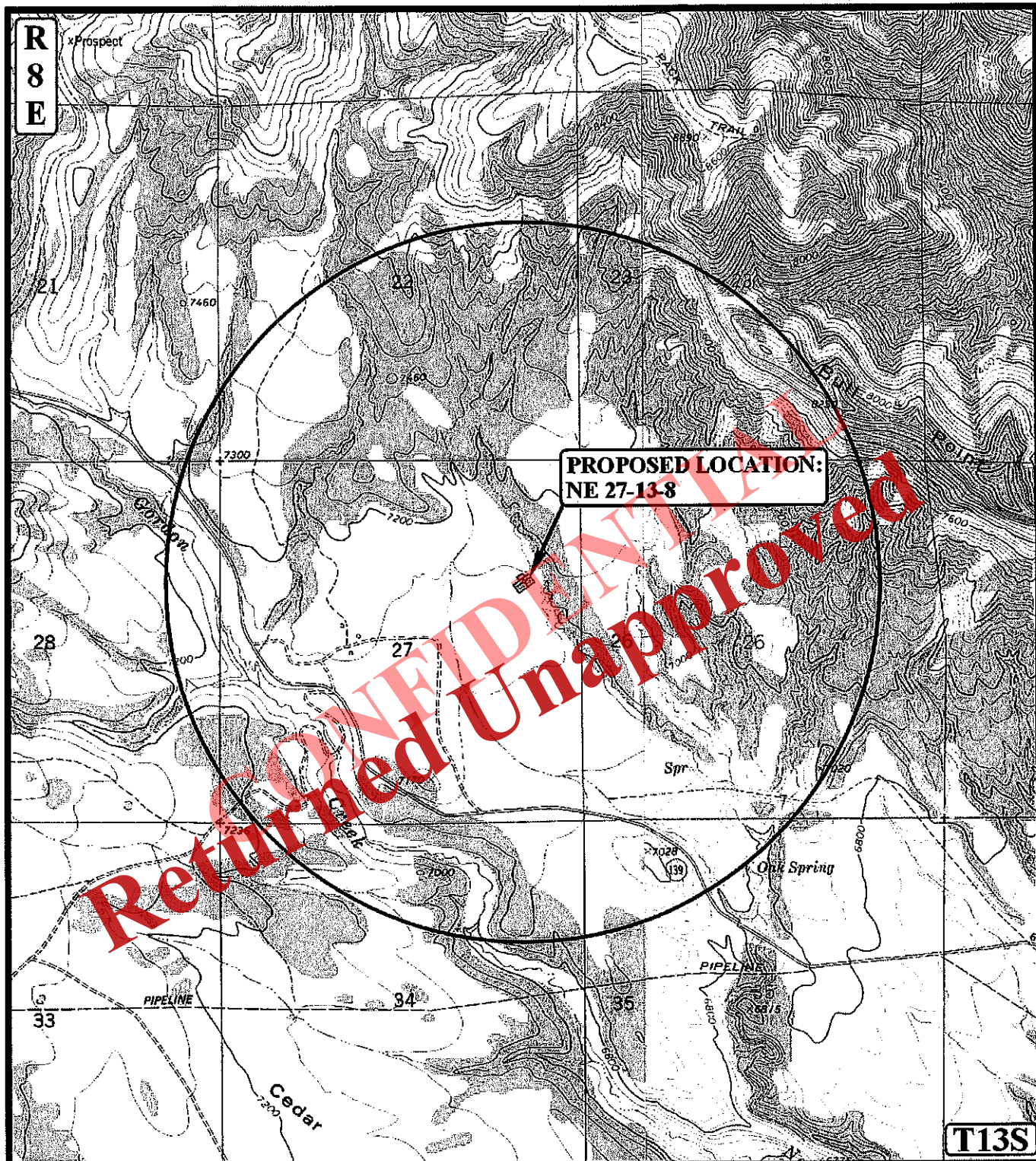
UTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 02-28-12	DATE DRAWN: 03-14-12
PARTY J.C. C.B. R.L.L.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE	
		THUNDERBIRD ENERGY

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

NAD 83 (SURFACE LOCATION)
LATITUDE = 39°40'07.91" (39.668864)
LONGITUDE = 111°00'24.68" (111.006856)
NAD 27 (SURFACE LOCATION)
LATITUDE = 39°40'08.04" (39.668900)
LONGITUDE = 111°00'22.09" (111.006136)



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



THUNDERBIRD ENERGY

NE 27-13-8
 SECTION 27, T13S, R8E, S.L.B.&M.
 1799' FNL 811' FEL

TOPOGRAPHIC
 MAP

03 22 12
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.I. REVISED: 00-00-00



1799' FNL 811' FEL

REV: 12-05-12

THUNDERBIRD ENERGY

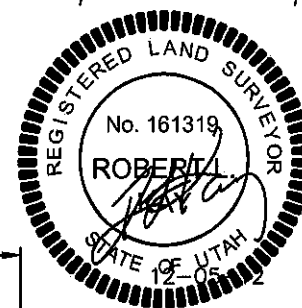
TYPICAL CROSS SECTIONS FOR

NE 27-13-8

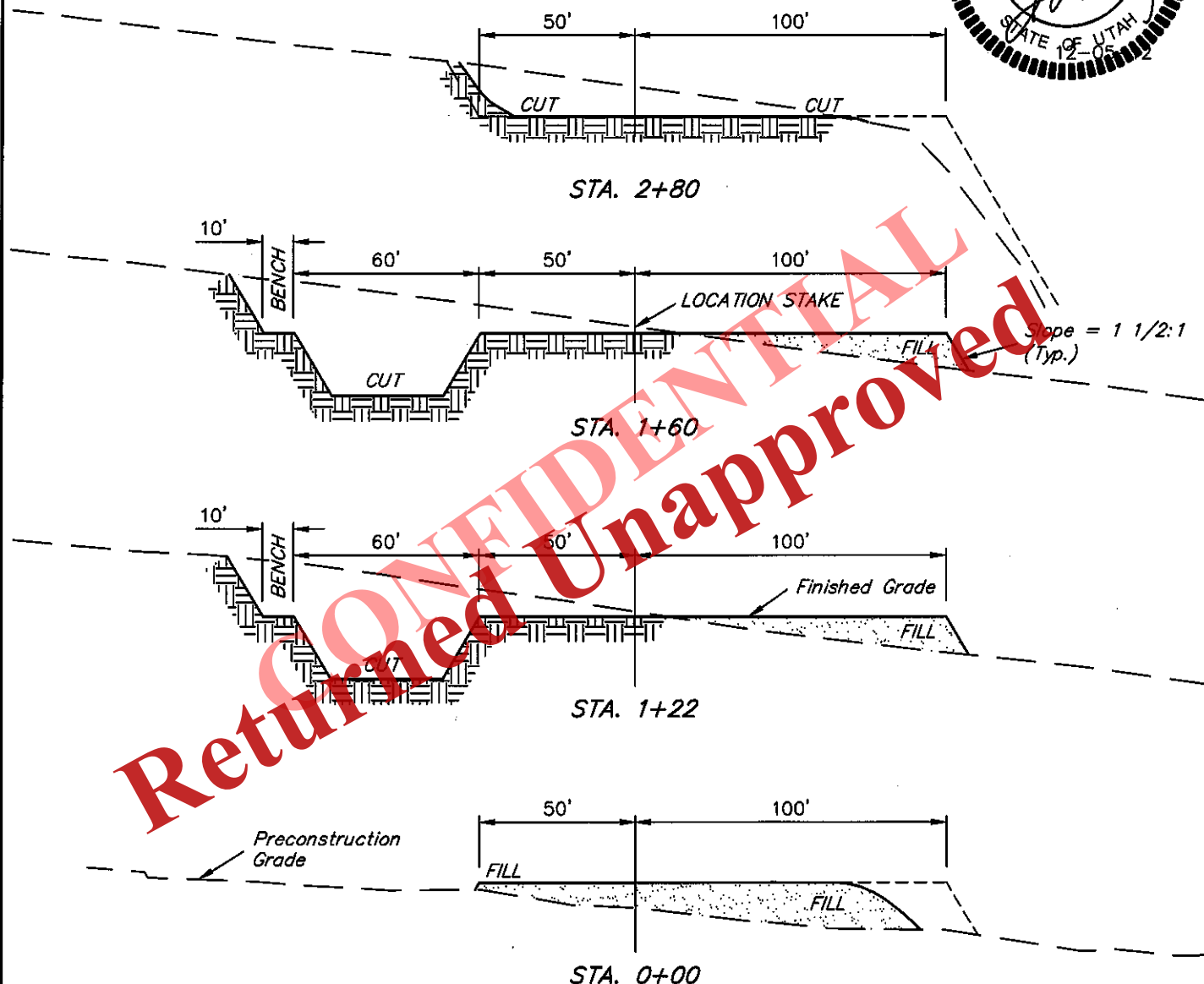
SECTION 27, T13S, R8E, S.L.B.&M.

1799' FNL 811' FEL

FIGURE #2



1" = 20'
X-Section
Scale
1" = 50'
DATE: 03-14-12
DRAWN BY: R.L.L.
REV: 12-05-12



NOTE:

Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

* NOTE:

FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ± 1.868 ACRES
ACCESS ROAD DISTURBANCE = ± 2.852 ACRES
ACCESS ROAD AND
PIPELINE DISTURBANCE = ± 0.783 ACRES
PIPELINE DISTURBANCE = ± 1.830 ACRES
TOTAL = ± 7.333 ACRES

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,080 Cu. Yds.
Remaining Location = 4,320 Cu. Yds.
TOTAL CUT = 5,400 CU. YDS.
FILL = 3,270 CU. YDS.

EXCESS MATERIAL = 2,130 Cu. Yds.
Topsoil & Pit Backfill = 1,720 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 420 Cu. Yds.
(After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Received: December 05, 2012

THUNDERBIRD ENERGY

TYPICAL RIG LAYOUT FOR

NE 27-13-8

SECTION 27, T13S, R8E, S.L.B.&M.

1799' FNL 811' FEL

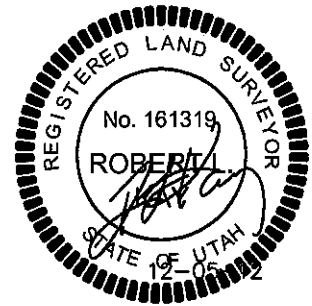
FIGURE #3

SCALE: 1" = 50'

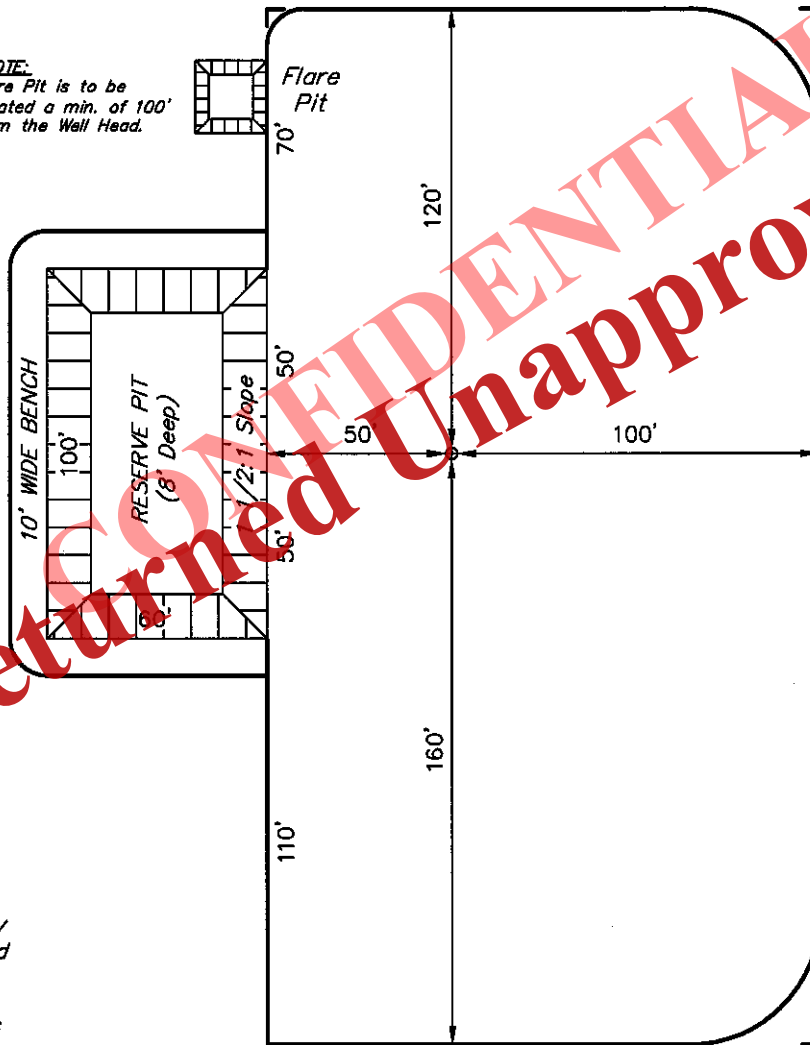
DATE: 03-14-12

DRAWN BY: R.L.L.

REV: 12-05-12



NOTE:
Flare Pit is to be
located a min. of 100'
from the Well Head.

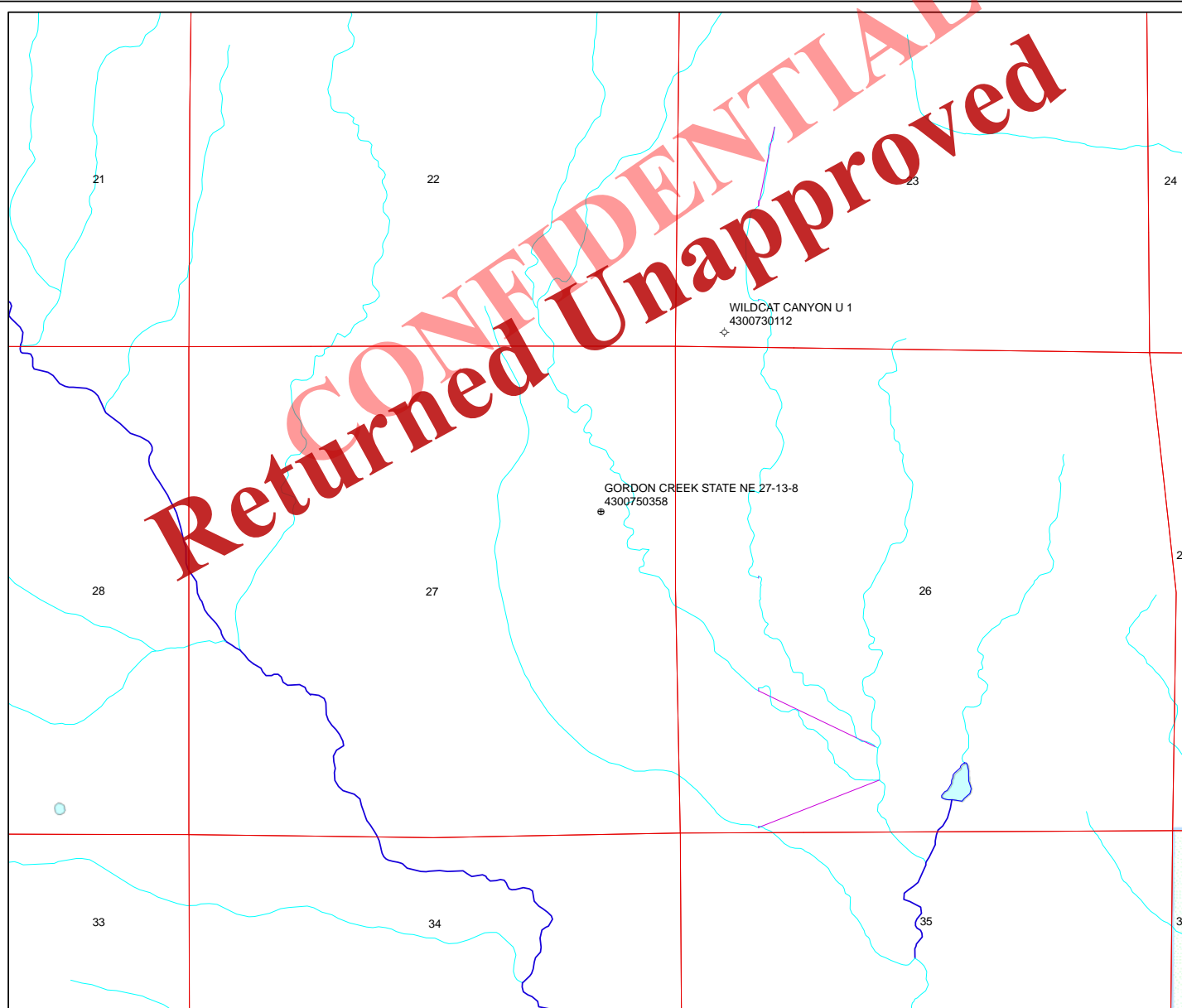


Total Pit Capacity
W/2' of Freeboard
= 4,120 Bbls.±
Total Pit Volume
= 1,270 Cu. Yds

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85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Received: December 05, 2012

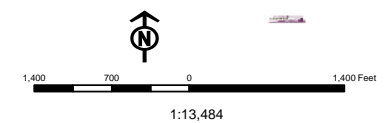
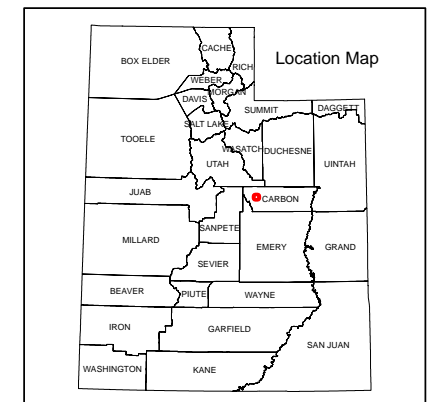
CONFIDENTIAL
Returned Unapproved



API Number: 4300750358
Well Name: GORDON CREEK STATE NE 27-13-8
Township T13.0S Range R08.0E Section 27
Meridian: SLBM
Operator: GORDON CREEK, LLC

Map Prepared:
Map Produced by Diana Mason

Units	Wells Query
STATUS	Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GIW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LOC - New Location
PI OIL	OPS - Operation Suspended
PP GAS	PA - Plugged Abandoned
PP GEOTHERM	PGW - Producing Gas Well
PP OIL	POW - Producing Oil Well
SECONDARY	SGW - Shut-in Gas Well
TERMINATED	SOW - Shut-in Oil Well
Fields	TA - Temp. Abandoned
STATUS	TW - Test Well
ABANDONED	WDW - Water Disposal
ACTIVE	WWI - Water Injection Well
COMBINED	WSW - Water Supply Well
INACTIVE	Bottom Hole Location - Oil/Gas/Dls
STORAGE	
TERMINATED	



Received: December 06, 2012

Well Name	GORDON CREEK, LLC GORDON CREEK STATE NE 27-13-8 43007503			
String	SURF	PROD		
Casing Size(in)	8.625	5.500		
Setting Depth (TVD)	1870	4240		
Previous Shoe Setting Depth (TVD)	0	1870		
Max Mud Weight (ppg)	8.7	8.7		
BOPE Proposed (psi)	2000	3000		
Casing Internal Yield (psi)	2950	7740		
Operators Max Anticipated Pressure (psi)	900	4.1		

Calculations	SURF String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	846	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	622	YES 2M Rotating Head for air drill
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	435	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	435	NO OK
Required Casing/BOPE Test Pressure=		1870	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

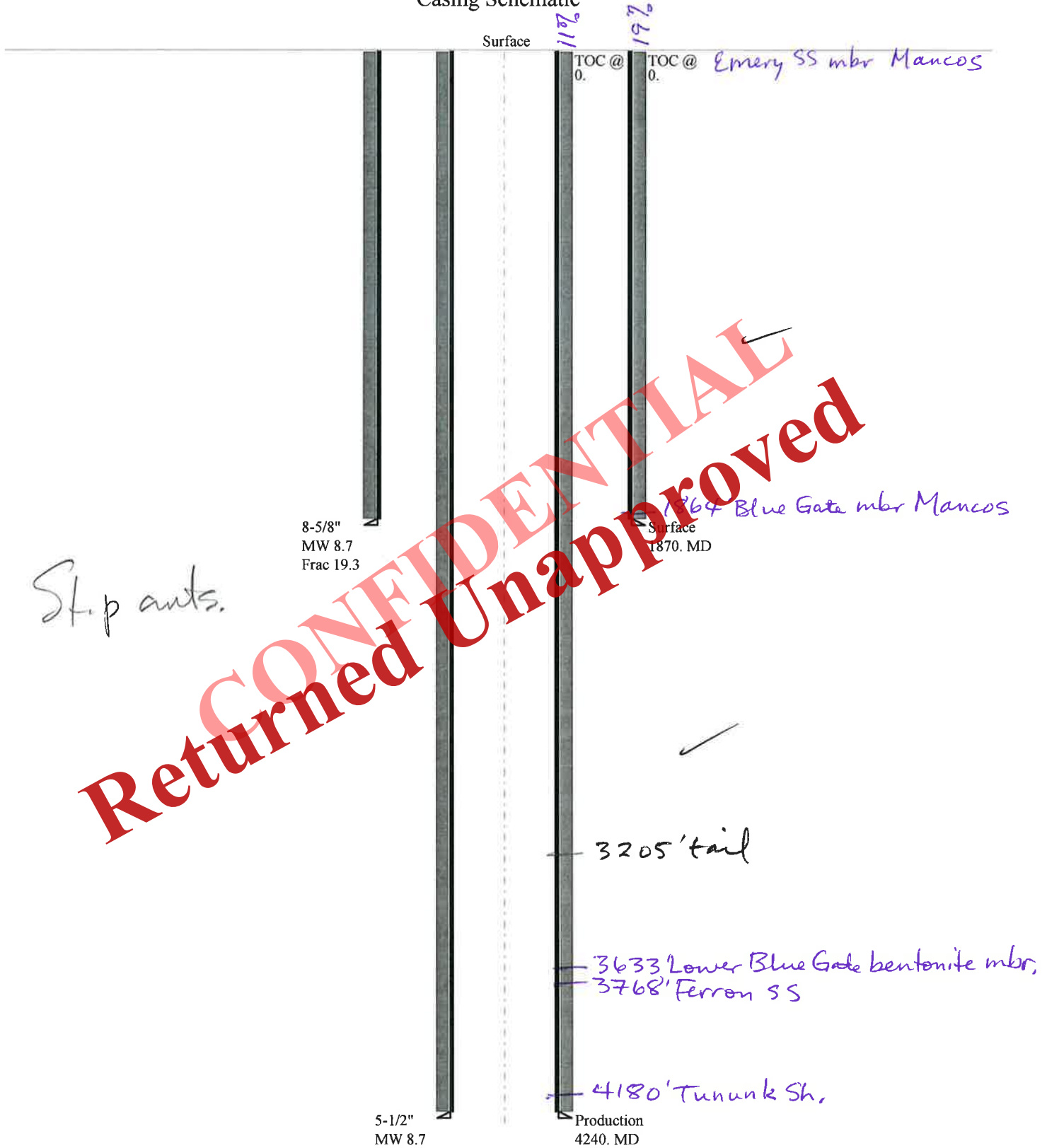
Calculations	PROD String	5.500	"
Max BHP (psi)	.052*Setting Depth*MW=	1918	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	1409	YES 3M BOPE double gate with 2M rotate head
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	955	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1397	YES OK
Required Casing/BOPE Test Pressure=		3000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		1870	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

43007503580000 Gordon Creek State NE 27-13-8

Casing Schematic



Received: June 05, 2013

Well name: **43007503580000 Gordon Creek State NE 27-13-8**
 Operator: **CORDON CREEK, LLC**
 String type: **Surface**
 Location: **CARBON COUNTY**
 Project ID:
43-007-50358

Design parameters:

Collapse

Mud weight: 8.700 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 100 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 1,407 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP 1,632 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.70 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on air weight.
 Neutral point: 1,626 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 4,240 ft
 Next mud weight: 8.700 ppg
 Next setting BHP: 1,916 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 1,870 ft
 Injection pressure: 1,870 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	1870	8.625	24.00	J-55	ST&C	1870	1870	7.972	9627
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	845	1370	1.621	1632	2950	1.81	44.9	244	5.44 J

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Mining

Phone: 801 538-5357
 FAX: 801-359-3940

Date: May 30, 2013
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1870 ft, a mud weight of 8.7 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Received: June 05, 2013

Well name: **43007503580000 Gordon Creek State NE 27-13-8**
 Operator: **CORDON CREEK, LLC**
 String type: **Production**
 Location: **CARBON COUNTY**
 Project ID: **43-007-50358**

Design parameters:

Collapse

Mud weight: 8.700 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 133 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 983 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 1,916 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.60 (B)

Non-directional string.

Tension is based on air weight.
 Neutral point: 3,681 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	4240	5.5	17.00	N-80	LT&C	4240	4240	4.767	23898
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	1916	6290	3.282	1916	7740	4.04	72.1	348	4.83 J

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Mining

Phone: 801 538-5357
 FAX: 801-359-3940

Date: May 30, 2013
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 4240 ft, a mud weight of 8.7 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Received: June 05, 2013



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 03, 2014

GORDON CREEK, LLC
1179 E Main #345
Price, UT 84501

Re: Application for Permit to Drill - CARBON County, Utah

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the GORDON CREEK STATE NE 27-13-8 well, API 43007503580000 that was submitted December 05, 2012 is being returned unapproved. If you plan on drilling this well in the future, you must first submit a new application.

Should you have any questions regarding this matter, please call me at (801) 538-5312.

Sincerely,

Diana Mason
Environmental Scientist

Enclosure

cc: Bureau of Land Management, Vernal, Utah



